

ND RETIREMENT AND INVESTMENT OFFICE
Combined Balance Sheet
As of 7/31/2001

	As of <u>7-31-01</u>	As of <u>6-30-01</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,301,207,844	\$ 1,308,028,885
INTERNATIONAL EQUITIES	504,485,260	514,564,916
DOMESTIC FIXED INCOME	1,253,014,434	1,202,840,894
INTERNATIONAL FIXED INCOME	129,100,259	125,377,934
REAL ESTATE POOL	182,841,176	208,727,065
VENTURE CAPITAL	81,085,854	98,385,006
INVESTED CASH (NOTE 1)	<u>90,224,177</u>	<u>58,551,081</u>
 TOTAL INVESTMENTS	 3,541,959,004	 3,516,475,781
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	19,602,059	20,263,974
CONTRIBUTIONS/ASSESSMENTS REC	60,811	6,616,070
MISCELLANEOUS RECEIVABLES	<u>2,339</u>	<u>2,166</u>
 TOTAL RECEIVABLES	 19,665,209	 26,882,210
 OTHER ASSETS		
OPERATING CASH (NOTE 2)	6,525,725	6,187,672
DUE FROM OTHER AGENCIES (NOTE 3)	57,410	53,684
FIXED ASSETS (NET) (NOTE 4)	<u>8,684</u>	<u>8,684</u>
 TOTAL ASSETS	 <u><u>\$ 3,568,216,032</u></u>	 <u><u>\$ 3,549,608,031</u></u>
 LIABILITIES:		
ACCOUNTS PAYABLE	2,593,665	2,673,785
ACCRUED EXPENSES	171,265	240,023
DUE TO OTHER AGENCIES (NOTE 5)	<u>57,410</u>	<u>53,684</u>
 TOTAL LIABILITIES	 2,822,340	 2,967,492
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,546,640,539	3,701,142,773
CASH IN DURING YEAR (NOTE 6)	75,579,969	234,522,531
CASH OUT DURING YEAR (NOTE 7)	24,525,600	228,052,300
NET INCREASE (DECREASE)	<u>(32,301,216)</u>	<u>(160,972,465)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>3,565,393,692</u>	 <u>3,546,640,539</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 3,568,216,032</u></u>	 <u><u>\$ 3,549,608,031</u></u>

ND RETIREMENT AND INVESTMENT OFFICE
Combined Profit and Loss Statement
For the Month Ended 7/31/2001

	Month Ended <u>7-31-01</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 9,211,536	\$ 9,211,536
SECURITIES LENDING INCOME	<u>1,073,617</u>	<u>1,073,617</u>
	10,285,153	10,285,153
 GAIN ON SALE OF INVESTMENTS	 32,538,098	 32,538,098
LOSS ON SALE OF INVESTMENTS	<u>34,921,872</u>	<u>34,921,872</u>
 NET GAINS (LOSSES) INVESTMENTS	 (2,383,774)	 (2,383,774)
 INVESTMENT EXPENSES	 277,631	 277,631
SECURITIES LENDING EXPENSES	<u>972,388</u>	<u>972,388</u>
 NET INVESTMENT INCOME	 6,651,360	 6,651,360
 NET APPREC (DEPREC) MARKET VALUE	 (33,984,549)	 (33,984,549)
MISCELLANEOUS INCOME/(EXPENSE)	<u>10,785</u>	<u>10,785</u>
 TOTAL INVESTMENT INCOME	 (27,322,404)	 (27,322,404)
 CONTRIBUTIONS & ASSESSMENTS (NOTE 8)	 91,229	 91,229
PURCHASED SERVICE CREDIT (NOTE 9)	407,449	407,449
PENALTY & INTEREST (NOTE 10)	<u>0</u>	<u>0</u>
 TOTAL ADDITIONS	 <u>(26,823,726)</u>	 <u>(26,823,726)</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 11)	5,119,552	5,119,552
REFUNDS TO MEMBER (NOTE 12)	<u>271,370</u>	<u>271,370</u>
 TOTAL BENEFITS PAID	 5,390,922	 5,390,922
 ADMINISTRATIVE EXPENSES		
SALARIES AND BENEFITS	65,035	65,035
OPERATING EXPENSES	21,533	21,533
EQUIPMENT	<u>0</u>	<u>0</u>
 TOTAL ADMINISTRATIVE EXPENSES	 <u>86,568</u>	 <u>86,568</u>
 TOTAL DEDUCTIONS	 <u>5,477,490</u>	 <u>5,477,490</u>
 NET INCREASE (DECREASE)	 <u><u>\$ (32,301,216)</u></u>	 <u><u>\$ (32,301,216)</u></u>

ND RETIREMENT AND INVESTMENT OFFICE
Notes to Combined Financial Statement
July 31, 2001

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2 OPERATING CASH

Money market and checking accounts at the Bank of North Dakota and RIO's operating account at the State Treasurer's Office.

NOTE 3 DUE FROM OTHER AGENCIES

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 FIXED ASSETS

Office furniture and equipment capitalized by RIO, shown net of depreciation. Depreciation is calculated straight-line, over five years.

NOTE 5 DUE TO OTHER AGENCIES

Amounts received from agencies in excess of amounts allocated for RIO administrative expenses.

NOTE 6 CASH IN DURING YEAR

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 7 CASH OUT DURING YEAR

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

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Notes to Combined Financial Statement
7/31/2001

NOTE 8 CONTRIBUTIONS & ASSESSMENTS

Assessments on teachers' salaries of 7.75 percent of salary plus a matching contribution paid by the employer unit, for a total contribution and assessment of 15.5 percent that must be remitted monthly.

NOTE 9 PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 10 PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions and assessments.

NOTE 11 BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 12 REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.